

district shall have the authority", now this was one of the problems with the constitutional cloud, too, because it said "reduce". It did not provide in this that it could be raised, that the budget could be raised. So we have stricken the word "adjust", the word "reduce" to "adjust" in the item of the budget and then it provides for a hearing by the taxing authority, by the board of this taxing authority if, after a budget is formulated, that they feel that they must exceed the 7% overage prescribed in this legislation. Then they can have a hearing and present their case to the public and adjust after that time. I would move adoption of these amendments.

PRESIDENT: Senator Carsten.

SENATOR CARSTEN: Mr. President and members of the Legislature, I would like to ask Senator Lewis a question if I may. Senator Lewis, I notice in going over the amendments which is now the bill, I see no penalty clause in the amendments at all. Would it be your opinion that we should not have a penalty clause because we are aware of some counties that, at least in my opinion, are deliberately dragging their feet to an advantage of receiving reimbursements from some source or another and I am wondering if there is really any basic reason why a penalty clause should not be put into this.

SENATOR R. LEWIS: I would have no objection, Senator Carsten. The Revenue Department, the Director of the Revenue Department, tells me that 78 counties are presently reappraised, have completed the reappraisal plans and would only be necessary for a little update and that the Board of Equalization and Assessment could mandatorily bring those other counties up to a level. Now if you would like to amend this, I would certainly have no objection to providing for a penalty for those counties which did not implement the new reappraised value.

SENATOR CARSTEN: May I continue, Mr. President. Senator Lewis, as I understand, at the present time, the Department of Revenue or the Board of Equalization or both can require those counties to comply but I am not sure that that is used, and if we wrote a penalty clause into the statute, then...I am only questioning the procedure of whether we should or whether we shouldn't but it did enter my mind.

SENATOR R. LEWIS: I think it is worthy of discussion and I would appreciate hearing from someone else that has probably more experience. We have several county board members in our membership and I would like to know whether this is possible and feasible.

SENATOR CARSTEN: Mr. President, maybe I should direct a question to Senator Kahle who has been a commissioner, former commissioner, or Senator Nichol who has had experience, maybe they could answer this to a better advantage or to an advantage, at least. Thank you.

PRESIDENT: Senator Frank Lewis. Here, did you want Senator Kahle to respond?

SENATOR CARSTEN: Yes, if he would, Mr. President.

SENATOR KAHLE: Senator Carsten and members, I think that this is very necessary that we have some sort of a penalty